



**SENATE
MAJORITY LEADER**

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Senate Passes Bills to Help Business Startups

Legislation Key Component of JOBS Action Plan

LANSING - New startup businesses could afford more workers and to reinvest in their companies under legislation that passed the Michigan Senate today giving fledgling enterprises a break in their state Single Business Tax bill, Majority Leader Ken Sikkema said.

"New business growth will fuel Michigan's economic recovery and startups need all the help we can give them to succeed," said Sikkema, R-Wyoming. "This package is just another example of how the Legislature is lowering the barriers businesses face and illustrates our bi-partisan commitment to turning around Michigan's sluggish economy. I urge Governor Granholm to join the Legislature in its efforts to grow the economy and sign this legislation into law."

The bi-partisan, bi-cameral package is the latest portion of the Legislature's JOBS Action Plan for revitalizing Michigan's economy. It is the ninth component of the 18-point JOBS Action Plan the Republican-controlled Legislature has sent to the governor for her signature since the program was announced last fall.

The bills are designed to encourage the growth of small firms that have the highest potential of creating future jobs and economic growth for Michigan. They would exempt certain businesses from most taxes during their first five years of business - traditionally the toughest years for businesses.

Businesses that qualify would be exempt from property taxes, state and city income tax, as well as the SBT for five years if the firm has no net income. Qualified firms are still subject to sales and use taxes.

"Eliminating the barriers state government puts up to business investment and jobs growth is not a Republican or Democrat issue; it's a priority for every elected official in Michigan," Sikkema said. "Government cannot create jobs, but it surely can get out of the way of businesses that want to create them."